

Soyabean Outlook – October 2020

World scenario

World soyabean production in 2018-19 is estimated as 348.71 million tonnes from a total area of 124.92 million hectares. United States of America ranks first in soyabean production with 123.66 million tonnes followed by Brazil (117.88 million tonnes), Argentina (37.78 million tonnes), China (14.19 million tonnes) and India (13.78 million tonnes) accounting for 35, 33, 10, 4 and 4 percent of world production. India ranks fourth in area with 11.40 million hectares (28.16 million acres) accounting for 9.12% of the world area and fifth in production with 13.78 million tonnes.

The major soyabean growing states are Madhya Pradesh, Maharashtra, Rajasthan, Karnataka, and Telangana. According to the first advance estimates 2020-21 of Ministry of Agriculture, Soybean production is estimated at 135.83 lakh tonnes as compared to 112.15 lakh tonnes in 2019-20.

Table 1: Global Soyabean Supply and Demand (in million tonnes)

	2018/19 (Estimated)	2019/20 (Forecasted)	2020/21 (Projected)
Opening Stocks	47.60	61.70	47.30
Production	363.00	339.30	373.40
Imports	151.60	162.70	164.30
Total Availability	410.50	401.10	420.70
Food	19.30	20.50	21.20
Feed	14.30	13.10	15.30
Crush	305.50	311.10	322.40
Total Consumption	348.80	353.80	368.50
Exports	151.60	162.70	164.30
Ending Stocks	61.70	47.30	52.20

Source: <https://igc.int>

Indian scenario

Table 2: Indian Soyabean Supply and Demand (in million tonnes)

	2018/19 (Estimated)	2019/20 (Forecasted)	2020/21 (Projected)
Opening Stocks	0.50	0.50	0.30
Production	13.30	12.20	13.00
Imports	-	0.10	-
Total Availability	13.80	12.90	13.40
Food	0.40	0.50	0.50
Feed	0.70	0.80	0.80
Crush	12.00	11.30	11.60
Total Consumption	13.10	12.50	12.90
Exports	0.20	0.10	0.10
Ending Stocks	0.50	0.30	0.40

Source: <https://igc.int>

Table 3: State wise area under soyabean in India

State	2019-20			2020-21		
	Area (lakh ha)	Area (lakh acres)	% to total area	Area (lakh ha)	Area (lakh acres)	% to total area
Madhya Pradesh	55.16	136.30	48.64	58.54	144.66	48.30
Maharashtra	39.59	97.83	34.91	43.21	106.77	35.65
Rajasthan	10.60	26.19	9.35	11.00	27.18	9.08
Karnataka	3.30	8.15	2.91	3.32	8.20	2.74
Telangana	1.72	4.25	1.52	1.60	3.95	1.32
Others	3.03	7.49	2.67	3.54	8.75	2.92
All India	113.40	280.22	100.00	121.21	299.52	100.00

Source: www.agricoop.com

In India, as on 18th September 2020 area under soyabean during 2020-21 was 121.21 lakh hectares as against 113.40 lakh hectares during 2019-20. Among the states, Madhya Pradesh stood first with 58.54 lakh ha followed by Maharashtra (43.21 lakh ha), Rajasthan (11.00 lakh ha), Karnataka (3.32 lakh ha) and Telangana (1.60 lakh ha).

Soyabean prices in India

Table 4: State wise Wholesale Prices Monthly Analysis for Soyabean September, 2020

State	Prices September, 2020	Prices August, 2020	Prices September, 2019	% Change(Over Previous Month)	% Change(Over Previous Year)
Chhattisgarh	3422.52	3203.88	3589.06	6.82	-4.64
Gujarat	3811.67	3752.62	3486.49	1.57	9.33
Karnataka	3578.71	3557.5	3678.04	0.6	-2.7
Madhya Pradesh	3510.35	3567.39	3643.28	-1.6	-3.65
Maharashtra	3659.86	3583.42	3664.2	2.13	-0.12
Rajasthan	3546.24	3593.5	3810.48	-1.32	-6.93
Tamil Nadu	4555.97			—	—
Telangana	3165.1	3451.98	3629.73	-8.31	-12.8
Uttar Pradesh	4093.1	5108.98	4272	-19.88	-4.19
Average	3704.84	3727.41	3686.5		

Source: <https://agmarknet.gov.in>

The soymeal exports fell by 6% to 58,190 tonnes in August 2020 compared to 61,957 tonnes in the same period last year. Besides, it fell by 24% to 2,49,339 tonnes during the last five months (Apr.-Aug) of financial year 2020-21 compared to 3,28,633 tonnes during the corresponding period of last year. The domestic average soymeal prices at Indore, witnessed losses and was quoted between Rs 29,700 – 30,500/MT compared to the average of Rs 30,950/MT traded between the price range of Rs 30,5000 – 31,500/MT previous week.

Telangana scenario

In Telangana, as on 30th September 2020 area under soyabean was 3,98,971 acres as against 4,26,831 acres during 2019-20. Among the districts, Kamareddy stood first with 84,975 acres followed by Adilabad (78,319 acres), Nirmal (77,117 acres), Nizamabad (74,805 acres) and Sangareddy (72,505 acres).

Table 5: District wise area under soyabean in Telangana State

District	2019-20			2020-21		
	Area (ha)	Area (acres)	% to total area	Area (ha)	Area (acres)	% to total area
Kamareddy	24306.27	60062	14.07	34388.22	84975	21.30
Adilabad	37576.74	92854	21.75	31694.62	78319	19.63
Nirmal	43855.45	108369	25.39	31208.19	77117	19.33
Nizamabad	27122.88	67022	15.70	30272.56	74805	18.75
Sangareddy	23753.06	58695	13.75	29341.78	72505	18.17
Others	16118.25	39829	9.33	4552.72	11250	2.82
Telangana State	172732.64	426831	100.00	161458.08	398971	100.00

Source: www.agritelangana.gov.in

Table 6: Prices and Arrivals of soyabean at Nizamabad Market in the Month of September 2020

Date	Arrivals (Quintals)	Minimum Price (Rs/quintal)	Maximum Price (Rs/quintal)	Modal Price (Rs/quintal)
7	20	3,125	3,460	3,460
9	152	3,372	3,602	3,480
10	269	3,252	3,702	3,515
11	278	3,180	3,599	3,508
14	148	2,680	3,630	1,480
15	46	3,292	3,636	3,636
16	6	3,390	3,606	3,427
18	8	2,802	3,555	2,842
21	169	3,388	3,762	3,438

Source: <http://tsmarketing.in/>

The international soybean prices are expected to feature range bound movement with weak bias on better US soybean crop prospect and South American supply scenario. However, strong Chinese buying will limit the downside.

In the latest update by SOPA, the association has revised the import of soybean for the oil year 2019/20 upwards from 3 lakh tonnes to 5 lakh tonnes, soybean crushing during the same period is revised upwards from 73 lakh tonnes to 81 lakh tonnes, soymeal consumption for food from 6 lakh tonnes to 6.5 lakh tonnes and for feed from 47 lakh tonnes to 52.5 lakh tonnes.

The harvesting of the early sown crop has commenced in all the three major producing states of Madhya Pradesh, Maharashtra and Rajasthan.

The moisture in the newly harvested bean ranges between 15-20% and the quality of the beans also a concern with reports of shrunk and small grain size in some cases. Crushers are the major buyers in the market to cover their stock.

SOPA has estimated India's carry over stock of soybean at the end of September 2020 to 6.06 lakh tonnes. It is expecting about 2 lakh tonnes of new soybean crop arrivals by the end of September'20.

Soybean plant delivery prices have fallen in Indore cash market to Rs 3,725 – 3,950 a quintal from Rs 3,880 – 4,020 in the previous week.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Soybean is likely to trade in price range between **Rs. 3400 – 3600** per quintal in the month of October 2020.